EXECUTIVE OFFICE OF THE PRESIDENT THE UNITED STATES TRADE REPRESENTATIVE WASHINGTON, D.C. 20508

SEP 1 5 2009

The Honorable Todd Staples Commissioner Texas Department of Agriculture P.O. Box 12847 Austin, TX 78711

Dear Mr. Staples:

Thank you for your letter supporting the U.S.-Mexico cross border trucking program. President Obama has asked me to respond on his behalf.

Like you, I am disappointed that the situation has come to the point of trade retaliation. The duty-free treatment provided to all U.S. goods under the North American Free Trade Agreement (NAFTA) has been particularly beneficial for U.S. agricultural exports. We are well aware of how disruptive the imposition of duties has been to Texas, which exports more to Mexico than any other State by a very wide margin.

The way to end Mexico's retaliatory tariffs is to achieve a resolution of the dispute. For this reason, the President has tasked the Department of Transportation to work with USTR and the Department of State, along with leaders in Congress and Mexican officials. To propose a new trucking project that will meet the legitimate concerns of Congress and our NAFTA commitments.

I appreciate your efforts to build support for resolving the dispute and ending Mexico's trade retaliation. I look forward to working with you and officials in other States as we develop a new cross-border trucking program.

Ronald Kirk